

**STATE**

**FINAL CONDITIONAL FISCAL IMPACT**

**Drafting Number:** LLS 07-0458  
**Prime Sponsor(s):** Sen. Schwartz  
Rep. Massey

**Date:** May 31, 2007  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Marc Carey (303-866-4102)

**TITLE:** CONCERNING RENEWABLE RESOURCE GENERATION DEVELOPMENT AREAS, AND, IN CONNECTION THEREWITH, CREATING A TASK FORCE.

<b>Fiscal Impact Summary</b>	<b>FY 2007-2008</b>	<b>FY 2008-2009</b>
<b>State Revenue</b>		
Cash Funds - Renewable Resource Generation Development Areas Fund	Gifts, Grants & Donations	\$0
<b>State Expenditures</b>		
Cash Funds - Renewable Resource Generation Development Areas Fund	\$45,411	\$0
<b>FTE Position Change</b>	0.0 FTE	0.0 FTE
<b>Effective Date:</b> The bill was signed by the Governor and became law on May 29, 2007.		
<b>Appropriation Summary for FY 2007-2008:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

The bill creates the 16-member Renewable Resource Generation Development Area Task Force and specifies its membership. Members of the task force must be appointed within 30 days of the effective date of the bill. The task force is required to hold at least 4 public meetings, solicit comments from members of the public, and develop a map of existing generation and transmission lines and areas in Colorado with potential to support competition among renewable energy developers for renewable energy projects. At a minimum, the task force is required to consider:

- the use of enterprise zones in the development of these areas;
- the transmission needs of these areas to locations where customers can use the renewable resources; and
- the potential development of various renewable resources.

The task force must adopt and deliver the map to the Governor and the General Assembly by December 31, 2007. Any recommendations require the assent of a majority of members. The task force will be dissolved December 31, 2007.

The bill authorizes the task force to accept gifts, grants, and donations, but specifies that the Governor's Office of Energy is not required to solicit such moneys on behalf of the task force. If by July 1, 2007, sufficient moneys have not been raised to cover task force expenses, the task force is disbanded and the office must return any contributions received to donors.

### **State Revenues**

The bill authorizes the office to accept private gifts, grants and donations for the purpose of providing support for the task force. Any money received is to be held in a the Renewable Resource Generation Development Areas Cash Fund, created by the bill. The bill specifies, however, that the office is not required to solicit gifts, grants and donations on behalf of the task force. In addition, if by July 1, 2007, moneys in the account are not sufficient to pay the expenses of the task force, the task force is disbanded and the office is required to return the contribution to the original grantor or donor. Any interest that has been earned from the investment of these moneys will be deposited in the General Fund.

### **State Expenditures**

**Governor's Office of Energy.** The bill is assessed as having a conditional fiscal impact of \$45,411 in FY 2007-08. The bill requires the director of the office, as a member of the task force, to convene the task force and authorizes the director to contract with a mediator or other third party to facilitate accomplishment of the task force's duties. Table 1 presents the costs associated with a member of the office staff (at a General Professional IV level) performing the following tasks in support of the task force, assuming an 8-month (May - December) time horizon.

- facilitate each of the required 4 public meetings;
- ensure that the task force takes testimony on each of the required topics in the bill, and that an appropriate opportunity for public comment is provided;
- synthesize the information from the testimony and public comment received and create the map of existing generation and transmission lines and renewable resource generation areas for the Governor and General Assembly.

<b>Table 1. Expenses for Office of Energy Staff under SB 07-91</b>		
<b>Cost Components</b>	<b>FY 2007-08</b>	<b>FY 2008-09</b>
Personal Services - GP IV	\$35,016	\$0
FTE	0.67	
Operating Expenses	\$333	\$0
Travel Expenses	\$6,000	\$0
<b>Total Expenses</b>	<b>\$45,411</b>	<b>\$0</b>

These expenses could be higher, depending on the approach taken to develop the required map. However, the fiscal note assumes that development of this map will not involve substantial additional costs. These expenses would be paid for through gifts, grants and donations received on behalf of the task force. This expenditure impact is conditional upon the receipt of sufficient money.

### **State Appropriations**

No new appropriations are required in FY 2007-08 since task force funding will come from the receipt of gifts, grants and donations.

### **Departments Contacted**

Governor's Office